Teens and Their Financial Futures
Helping Gen Z Navigate The Gig Economy, Job Benefits, And A Budget
Poll:

What is the most important lesson your students should learn about financial wellness?

- Income and Employment
- Budgeting
- Consumer Skills
- Managing Credit and Debt
- Financing Higher Education
But first, housekeeping.

Audio
Listen through your computer speaker or by calling (213) 929-4221
access code: 671-417-445

Questions
Type in the questions box and we’ll get to your questions in real time or address them during the Q&A

Social
Find us on Twitter @EVERFIK12 and use #EVERFlempowers when you share out

A recording will be emailed to you following the webinar.
Today’s Agenda

1. Introductions
2. Dr. Dan
   Money Matters
3. Behind the Scenes:
   Program Development
4. Taking Lessons to Practice:
   Implementing Financial Education
   with Gen Z
5. Q&A
Introductions

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Washington, DC  
Sr. Director of Research

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Washington, DC  
EVERFI Sr. Product Director for Financial Education

Samantha du Preez  
Detroit, MI  
Sr. Community Engagement Manager
Whole Child Education

- Career Readiness
- Social and Emotional Learning
- Financial Capability
- Health and Wellness
Setting the Stage

What We Know About Gen Z and Financial Habits
Buying Power

U.S. Gen Zers (ages 7 to 21) spend up to an estimated

$143 billion a year

(Does not include the money spent on Gen Z by parents or the indirect spending influence they have on overall household spending.)

Barkley, 2018
Digital Shopping Habits, Reviews and Loyalty

How are they researching and purchasing?

**Mobile, mobile, mobile.**

Gen Z spends twice as much time on their phones than millennials.
Debt Conscious Savers

Gen Z-ers want to avoid the mistakes made by their predecessors, and they aim to give themselves the greatest financial freedom possible.
Growing Up in the Gig Economy

Strong Interest in Entrepreneurship

29% Gen Z
13% Baby Boomers
23% Gen X
31% Millennials

Question: Which of these things are you interested in?

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DO NOT buy this book, you can SEE the ending right on the cover!, April 19, 2012

By PacMan

This review is from: Where Is Baby's Belly Button? A Lift-the-Flap Book (Board book)

This book is completely misleading. The entire plot revolves around finding Baby's belly button; the title makes this much clear from the beginning. However, there is no mystery. There is no twist. Baby's belly button is right where it's suppose to be, on Baby's stomach. Right where it clearly SHOWS you it is on the COVER OF THE BOOK.
Dr. Dan Zapp

What We Know About High School Seniors and Their Money Smarts
Student Financial Capability Research

Over 30,000 respondents from more than 440 institutions located in 45 states.

The survey focused on respondents’ financial knowledge, experience, behaviors, stress, and perspectives.

Collected during Fall semester of 2018 and early spring semester of 2019.
Get Specific: Graduating High School Seniors

Filtering down to just those students who are 18 or younger, report they are entering their first year of college, and are NOT transfer students:

We end up with ~10,000 respondents who are recent high school graduates.
1. Compared to other typical young-adult tasks, students are LEAST prepared to manage money
**Students LEAST prepared to manage money**

Respondents were presented with a variety of challenges associated with college and asked which they felt they were prepared to tackle.

Consistently, students reported that they were the LEAST prepared to **Manage their Money** (only 47% felt prepared) compared to:

- Managing Time
- Finding Resources
- Keeping Up with Coursework
- Staying Organized
College Preparedness by Age

- Keep up with Coursework
- Stay Organized
- Find Resources
- Manage Time
- Manage Money

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2. Credit Card Use and Debt are Already Present
Credit Card Use and Debt are Already Present

Nearly a third (30%) of all the recently graduated students we surveyed reported they currently had at least one credit card.

Of those students with credit cards, 77% have only one card (16% have two cards) and the rest have more than two.

In terms of total credit card debt, a quarter (24%) of this sample already has more than $1000 in credit card debt.
Credit Card Behavior by Age

- **Generation Z**
  - Any Credit Cards
  - More than One
  - Debt Over $1000
  - Paid Bill Late

- **Millennials**
  - Any Credit Cards
  - More than One
  - Debt Over $1000
  - Paid Bill Late

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3. Planning for the Financial Future is NOT a Priority
Planning for the Financial Future is NOT a Priority

Students were asked what they plan to accomplish in the next year to help manage their finances and prepare for the future. While they were presented with a variety of different healthy planned behaviors, only a third (30%) reported they would balance their accounts and less than that (28%) would start saving for an emergency fund.

Further, less than 12% of these students have used a money management program/app or even used a spreadsheet to track their finances.
Student Loan Debts will be substantial

Sixty percent of these recent high school graduates also report that they will be taking out loans to help finance their education, but only about 40% of those students with loans plan to pay those on time and in full.
Planning Score by Age

- Generation Z
- Millennials

Planning Age:
- 42
- 44
- 46
- 48
- 50
- 52
- 54
- 56
- 58

Age:
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24-26
- 27-30
- 31-35
- 36-40
- 40+
4. Financial Knowledge and Education are Low
Financial Knowledge and Education are Low

Only 40% of this sample of teens report having ever taken a personal finance course in high school and that includes students graduating from a state that claims to require such a course for graduation. To assess each student’s financial knowledge, participants were asked to answer 6 basic financial knowledge questions, pulled from the financial literacy research and referencing topics such as credit history, net worth, interest rates, and student loans.

As prior research from EVERFI and other organizations have found, respondents struggled with the basic questions, answering only 2 out of 6 multiple-choice questions correctly on average with particularly low success rates on questions about credit card use, credit history, and building an emergency fund.
Personal Finance Course by Age

<table>
<thead>
<tr>
<th>Age</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>17</td>
<td>37%</td>
</tr>
<tr>
<td>18</td>
<td>39%</td>
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<tr>
<td>19</td>
<td>38%</td>
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<td>31-35</td>
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<tr>
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<tr>
<td>40+</td>
<td>28%</td>
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</tbody>
</table>

Generation Z

Millennials
5. Financial Stress is Prominent
Financial Stress is Prominent

Finding a Job After Graduation (72%) was the most frequently chosen challenge, followed by Tuition Hikes (60%) and Applying for Financial Aid (56%).

We found that stress generally decreased as financial knowledge scores increased, but not in response to any experience with a personal finance course in high school.

It is clear that these students matriculating to college for the first time are desperately in need of increased education and skills related to personal finance management and future fiscal planning.
Financial Stress by Age

- **Generation Z**
- **Millennials**

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Behind the Scenes: Program Development

Sneha Patel
At-a-Glance

EVERFI: Financial Literacy is a digital education program that teaches students how to make wise financial decisions to promote financial well-being over their lifetime. The interactive lessons will translate complex financial concepts and help students develop actionable strategies for managing their finances.

Course Highlights

• Immersive and diverse environments and characters
• Learning through problem solving
• Modern, relevant content
• Self-reflection and games that provide additional practice

Course Topics

• Banking Basics
• Income and Employment
• Budgeting
• Consumer Skills*
• Managing Credit and Debt
• Financing Higher Education*
• Insurance*

*Lessons Available October 2019
"... provide the foundational knowledge of financial principles, practical application of real-world personal finance skills, should promote financial problem-solving skills, and should empower students as the arbiters of their own financial futures."

"... real world practice filling out the FAFSA, 1040EZ, and reading a credit card bill."

"Situational financial decision-making (making the best decision based on your own circumstances). Doing your financial homework before making a decision. Mobile banking and the safety concerns. Data privacy and the impact on your financial future."

"Venmo and similar payment methods, gig economy."
FinLit Philosophy

- **Demystifies financial literacy** through relatable connections to everyday life
- Focuses on the importance of **everyday financial decision-making**
- Creates an **interactive learning experience** that requires higher cognitive demand and problem-solving skills
- **Modernizes the content** by including topics such as the gig economy, online shopping, mobile banking, etc.
- Introduces a diverse cast of characters that **reflects the diverse audience of students** taking the course
Curriculum Overview
Key Components

An immersive learning experience designed to engage students in critical thinking, analysis, and practice.
Glossary

Income & Employment

After this module, you will be able to:

1. Complete the paperwork presented

Progress: 0 complete

Resume

Glossary

A

A-Word
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Another-A-Word
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Lesson Plan Format

**Connection**
Activate background knowledge and prior learning

**New Learning**
Introduce a new concept in the same topic area

**Practice**
Engage in activities to deepen understanding

**Closing**
Solidify key learning in a closing statement

**Evaluation**
Demonstrate understanding
Discussion Guide

Discussion for Lesson 1: Banking Basics

Lesson Overview:
In this lesson, students will build an understanding around how financial institutions work and how to use them. Students will first reflect upon their feelings about financial institutions and money management. Then, they’ll explore different types of financial institutions and the products they offer. Once students are familiar with the products, they’ll learn how to open a checking and savings account and how to manage it. They’ll also learn the importance of continually monitoring and reconciling their account. In addition to savings products, they’ll also learn the role investing can play in their overall financial strategy.

Learning Objectives:
Students will be able to...

- Examine the functions, services, and products offered at various financial institutions
- Compare the costs and benefits of select banking products
- Demonstrate how to use and effectively use a checking account
- Monitor and reconcile bank statements to their personal records
- Explain how investing can be used as part of a long-term financial strategy

Discussion Questions:

BEFORE LESSON 1:

Q1: What do you do with the money you earn or receive?
   - What do you plan to do with your money from gifts, allowance, or paychecks?

Q2: Do you currently have a bank account?
   - What are some places you might go to open an account?
   - Do you drive by any of these places in your daily routine?

Q3: Who do you think participates in the stock market?
   - How do you think investing might help your financial situation in 15 or 20 years?

Q1-Q3 Suggested Activity:
Think-Pair-Share Around the Room

Procedure: Students partner up and discuss the questions in Q1. Next, they find a new partner and discuss the questions in Q2. Then, they will find a third partner and discuss the questions for Q3. Process the activity by getting responses from the group on Q1-Q3.
**Crosswalk**

**EVERFI: Financial Literacy**
Introducing an improved course for the 2019-2020 school year

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### By High-Level Objectives:

**LESSON 1: SAVINGS**

<table>
<thead>
<tr>
<th>Legacy EVERFI: Financial Literacy</th>
<th><em>NEW</em> EVERFI: Financial Literacy</th>
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<tbody>
<tr>
<td>Savings</td>
<td>Banking Basics, Budgeting</td>
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<tr>
<td>Banking</td>
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<td>Payment Types</td>
<td>Consumer Skills</td>
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<td>Credit Scores</td>
<td>Credit and Debt</td>
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<tr>
<td>Financing Higher Education</td>
<td>Financing Higher Education</td>
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<tr>
<td>Renting and Owning</td>
<td>Consumer Skills</td>
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</table>

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<table>
<thead>
<tr>
<th>Legacy Item</th>
<th><em>NEW</em> Item</th>
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</thead>
<tbody>
<tr>
<td>Understand the key differences between compound and simple interest</td>
<td>Banking Basics</td>
</tr>
<tr>
<td>Determine the impact of interest rates, compounding frequency, and time on total interest accrued</td>
<td>Banking Basics</td>
</tr>
<tr>
<td>Describe common features (liquidity, minimum balance requirements) of common savings vehicles</td>
<td>Banking Basics</td>
</tr>
<tr>
<td>Select the appropriate savings plan or vehicle based on a person’s situation</td>
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</tr>
<tr>
<td>Describe best practices to use when making a budget</td>
<td>Budgeting</td>
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<tr>
<td>Apply the concepts of “needs versus wants” to modify a budget</td>
<td>Budgeting</td>
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Other Resources

- Course Outline
- National Standards Alignment
- Curriculum Guide

EVERFI Financial Literacy

Course Outline

<table>
<thead>
<tr>
<th>Digital Lesson</th>
<th>Topics</th>
<th>Description</th>
<th>Objectives</th>
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</table>
| Banking Basics       | • Researching Financial Institutions        | This module builds an understanding around how financial institutions work and how to use them. Learners will reflect upon their feelings about financial institutions. Then, they'll explore different types of financial institutions and the products they offer. Once learners are familiar with the products, they'll learn how to open a checking and savings account and how to manage each. They'll also learn the importance of continually monitoring and reconciling their account. In addition to savings products, they'll also learn the role investing can play in their overall financial strategy. | • Examine the functions, services, and products offered at various financial institutions  
• Compare the costs and benefits of select banking products  
• Demonstrate how to open and effectively use a checking and savings account  
• Monitor and reconcile bank statements to their personal records  
• Explain how investing can be used as part of a long-term financial strategy |
|                      | • Comparing Accounts                        |                                                                             |                                                                            |
|                      | • Opening and Using Accounts                |                                                                             |                                                                            |
|                      | • Monitoring and Reconciling Accounts        |                                                                             |                                                                            |
|                      | • Introduction to Investing                 |                                                                             |                                                                            |
|                      | • Mix-game: Compound It                     |                                                                             |                                                                            |

Standards Addressed

<table>
<thead>
<tr>
<th>Standards Addressed</th>
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<td>Investing: Standard 1. Explain how investing may build wealth and help meet financial goals.</td>
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<tr>
<td>CEE National Standards for Financial Literacy</td>
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<td>Standard 3: Saving</td>
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<td>CEE Voluntary National Content Standards in Economics</td>
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<td>Standard 5: Investing</td>
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<td>CEE Voluntary National Content Standards in Economics</td>
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<td>Standard 10: Institutions</td>
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<tr>
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<td>Standard 12: Interest Rates</td>
</tr>
</tbody>
</table>

Lesson 1: Banking Basics

Students will gain confidence in engaging with financial institutions and picking the right products for their life and financial goals.

Learning Objectives:

Students will be able to...

- Examine the functions, services, and products offered at various financial institutions
- Compare the costs and benefits of select banking products
- Demonstrate how to open and effectively use a checking and savings account
- Monitor and reconcile bank statements to their personal records
- Explain how investing can be used as part of a long-term financial strategy

Activity Topic | Activity Description
--- | ---
Researching Financial Institutions | Students learn about different financial institutions and the pros and cons of each type.
Digital Experience
On-Demand Lessons

1. **Banking Basics**
   Students will gain confidence in engaging with financial institutions and picking the right products for their life and financial goals.

2. **Income and Employment**
   Students will feel confident in navigating the choices and paperwork presented when starting a new job.

3. **Budgeting**
   Students will set short-term and long-term financial goals and create a personal budget that tracks spending.

4. **Credit and Debt**
   Students will engage in wise debt management practices and avoid expensive borrowing behaviors.
Lesson 1: Banking Basics

**Immersion & Connection**
Activate background knowledge and prior learning

**Pre Assessment**

**New Learning**
Learn through problem-solving

**Key Activity**
Expand learning through a game
Lesson 2: Income and Employment

**Immersion & Connection**
Activate background knowledge and prior learning

**Pre Assessment**

**New Learning**
Learn through problem-solving

**Key Activity**
Expand learning through a game
Lesson 3: Budgeting

Immersion & Connection
Activate background knowledge and prior learning

New Learning
Learn through problem-solving

Key Activity
Expand learning through a game
Lesson 5: Credit and Debt

Immersion & Connection
Activate background knowledge and prior learning

Pre Assessment

New Learning
Learn through problem-solving

Key Activity
Expand learning through a game
Coming November

4. Consumer Skills
Students will proactively research purchase decisions and select the best way to pay for those purchases.

6. Financing Higher Education
Students will develop a plan for financing postsecondary education or training.

7. Insurance
Students will become aware of the need for a risk management strategy and how insurance plays a role.
Lesson 4: Consumer Skills

Immersion & Connection
Activate background knowledge and prior learning

New Learning
Learn through problem-solving

Key Activity
Expand learning through a game
Lesson 6: Financing Higher Education

Immersion & Connection
Activate background knowledge and prior learning

New Learning
Learn through problem-solving

Key Activity
Expand learning through a game
Lesson 7: Insurance

Immersion & Connection
Activate background knowledge and prior learning

New Learning
Learn through problem-solving

Key Activity
Expand learning through a game
Taking Lessons to Practice: Implementing Financial Literacy

Samantha du Preez
Introducing Financial Concepts

- Homeroom
- Research projects
- School career fairs and college nights
- Student portfolios
- Workshops & seminars
Other Implementation Strategies

- Review or Capstone Project
- Independent Study
- Homework Assignments
- Begin or End a Unit of Study
Offline Lessons & Additional Resources

Lesson Flow

- Pre-Work: Students Complete Online Lesson - 15-20 min
- Opening: Guided Discussion - 2 min
- New Learning: Video and Article Content - 7 min
- Activity: Group Mind-Mapping - 30 min
- Discussion: Whole Class - 4 min
- Closing: Recap and Formalize Learning - 1 min
- Evaluation: Exit Ticket - 1 min

Homework

- Discussion Guide
- Curriculum Guide & Course Outline
- Crosswalk
Q&A
Next Steps

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Try a new course. You can add from your teacher dashboard.

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